

	FTP	Personnel Costs	Operating Expenditures	Capital Outlay	Trustee/ Ben Payments	Lump Sum	Total Gov Rec
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Description: The Lottery Commission is responsible for maintaining a consistently high sales of lottery products by providing an exciting product available at a wide variety of retail outlets which are properly supported by Lottery personnel. The maintenance of high sales allows the Lottery to maximize revenue available to State Capital Budget projects and public school facilities.

FY 2004 Original Appropriation

3.00 FY 2004 Original Appropriation: HB 342; HB 462

Dedicated	47.00	2,412,300	7,996,000	62,400	0	0	10,470,700
Total	47.00	2,412,300	7,996,000	62,400	0	0	10,470,700

FY 2004 Total Appropriation

Dedicated	47.00	2,412,300	7,996,000	62,400	0	0	10,470,700
Total	47.00	2,412,300	7,996,000	62,400	0	0	10,470,700

FY 2004 Estimated Expenditures

Dedicated	47.00	2,412,300	7,996,000	62,400	0	0	10,470,700
Total	47.00	2,412,300	7,996,000	62,400	0	0	10,470,700

Base Adjustments

8.41 Removal of One-Time Expenditures: Removal of one-time funding for the upgrade of memory components.

Dedicated	0.00	0	0	(9,000)	0	0	(9,000)
Total	0.00	0	0	(9,000)	0	0	(9,000)

FY 2005 Base

Dedicated	47.00	2,412,300	7,996,000	53,400	0	0	10,461,700
Total	47.00	2,412,300	7,996,000	53,400	0	0	10,461,700

Program Maintenance

10.11 Change in Benefit Costs: Changes in benefit costs reflect the increased cost of health insurance, unemployment insurance and employer retirement contributions.

Dedicated	0.00	53,400	0	0	0	0	53,400
Total	0.00	53,400	0	0	0	0	53,400

10.21 General Inflation: The Governor recommends no increase for inflation.

Dedicated	0.00	0	0	0	0	0	0
Total	0.00	0	0	0	0	0	0

10.31 Replacement Items: This decision unit provides one-time funding fto the Security Division for control panels, card readers, wiring and cameras for a new security system. It also provides funding to the Information Systems Division for twenty-five new personal computers, one Macintosh Computer for ticket design, four system processors, one e-mail network box, one power distribution unit, and one pull-tab ticket vending machine.

Dedicated	0.00	0	0	263,700	0	0	263,700
Total	0.00	0	0	263,700	0	0	263,700

10.41 Attorney General Fee Adjustments: Adjustments to costs of legal services provided by the Office of the Attorney General are reflected here.

Dedicated	0.00	0	(11,100)	0	0	0	(11,100)
Total	0.00	0	(11,100)	0	0	0	(11,100)

Lottery, Idaho State
Lottery Commission

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10.45 Risk Management Adjustments: The Office of Insurance Management reports adjustments to various cost categories based on agency claims patterns.							
Dedicated	0.00	0	(2,300)	0	0	0	(2,300)
Total	0.00	0	(2,300)	0	0	0	(2,300)
10.46 Controller Fee Adjustments: Adjustments to the costs of statewide accounting and statewide payroll processing provided by the Office of the State Controller are reflected here.							
Dedicated	0.00	0	(1,900)	0	0	0	(1,900)
Total	0.00	0	(1,900)	0	0	0	(1,900)
10.47 Treasurer Fee Adjustments: Adjustments to the costs of cash management and warrant processing by the Office of the State Treasurer are reflected here.							
Dedicated	0.00	0	(4,000)	0	0	0	(4,000)
Total	0.00	0	(4,000)	0	0	0	(4,000)
10.61 Change In Employee Compensation: The Governor recommends a compensation increase of 2% to be distributed based on merit. No adjustment to the pay line is recommended.							
Dedicated	0.00	41,600	0	0	0	0	41,600
Total	0.00	41,600	0	0	0	0	41,600
10.62 Group and Temporary: The Governor recommends a compensation increase of 2% to be distributed based on merit. No adjustment to the pay line is recommended.							
Dedicated	0.00	1,800	0	0	0	0	1,800
Total	0.00	1,800	0	0	0	0	1,800
10.71 External Nonstandard Adjustment: This decision unit provides additional funding for an increase in lease rates.							
Dedicated	0.00	0	7,000	0	0	0	7,000
Total	0.00	0	7,000	0	0	0	7,000
FY 2005 Total Maintenance							
Dedicated	47.00	2,509,100	7,983,700	317,100	0	0	10,809,900
Total	47.00	2,509,100	7,983,700	317,100	0	0	10,809,900
Program Enhancements							
12.01 Add Graphics Design Specialist Position: This decision unit provides ongoing funding and one new FTP to create an in-house graphic design specialist position. Over the past two fiscal years, the Lottery has experienced record sales, especially with the scratch ticket product. The majority of this sales increase is attributable to attractive ticket art and an increased use of other point-of-sale related print advertising. The Lottery estimates the cost of outsourcing the required art work to be approximately \$180,000 annually. The creation of this in-house position would represent an annual savings to the advertising budget of approximately \$144,000.							
Dedicated	1.00	36,000	0	0	0	0	36,000
Total	1.00	36,000	0	0	0	0	36,000
12.02 Forty Additional Scratch Ticket Vending Machines: Not recommended: This decision unit provides one-time funding for the purchase of 40 scratch ticket vending machines at \$7,500 each. Approximately 25% of the Lottery's scratch ticket sales and 100% of pull-tab tickets are made from vending machines. Many lottery retailers, such as grocery stores, find vending machines the only practical method of selling scratch tickets. By combining the planned additions for both years into a single order, the Lottery believes that it can negotiate a lower overall price.							
Dedicated	0.00	0	0	0	0	0	0
Total	0.00	0	0	0	0	0	0

	<u>FTP</u>	<u>Personnel Costs</u>	<u>Operating Expenditures</u>	<u>Capital Outlay</u>	<u>Trustee/ Ben Payments</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
FY 2005 Gov's Recommendation							
Dedicated	48.00	2,545,100	7,983,700	317,100	0	0	10,845,900
Total	48.00	2,545,100	7,983,700	317,100	0	0	10,845,900